

Message Text

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ATTN PARIS FOR MARK PRATT

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SUBJECT: OCTOBER 12 EA PRESS SUMMARY

1. INDOCHINA

VIETNAM NEWS AGENCY REPORTS PREMIER PHAM VAN DONG HAS
CALLED ON ALL CITIZENS PRESERVE RELICS OF INDOCHINA WAR--
SCENES OF EXPLOITS OF PEOPLE'S ARMED FORCES, OF "ENEMY'S
CRIMES," THINGS RELATED TO PEOPLE'S STRUGGLE FROM 1954-75
(REUTER, WP HK).
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2. INDOCHINA REFUGEES

SENATE VOTED 10/10 TO EXTEND FOR 4 YRS FEDERAL AID PROGRAM
FOR 150,000 REFUGEES NOW IN US/PERMIT 15,000 NEW ONES
ENTER. ALSO APPROVED LEGISLATION AUTHORIZING DOJ UP-
GRADE STATUS REFUGEES FROM "PAROLE STATUS TO PERMIT APPLY
FOR CITIZENSHIP AFTER 5 YRS RESIDENCE (AP, NYT).

HONG KONG ALLOWS GROUP 43 VIETNAMESE REFUGEES LAND/GRANTS
3-MO VISAS AFTER BEING RESCUED AT SEA BY FRG VESSEL

(REUTER, WP HK).

3. CHINA

UPI CITES KIRIN PROVINCIAL RADIO REPORT THAT "RELATIVELY LARGE" NEW OIL FIELD, WITH "HIGH AND STABLE YIELD," HAS GONE INTO PRODUCTION IN NE PRC. ACCORDING RADIO, FIELD IS FOURTH OPENED IN PROVINCE SINCE 1970, HAS HELPED INCREASE KIRIN'S OIL PRODUCTION TO 30 TIMES THAT BEFORE GPCR (JOC HK).

NCNA SAID 10/12 THAT BIGGEST HUMAN FOSSIL BONE FOUND IN PRC IN PAST DECADE HAS BEEN UNEARTHED IN AREA BORDERING SHANSI/HOPEI PROVINCES; ESTIMATED BY CHINESE ARCHEOLOGISTS AT ABOUT 100,000 YEARS OLD (REUTER HK).

FRG FM GENSCHER ARRIVED PEKING 10/12 ON 4-DAY VISIT/TALKS ON INTL AFFAIRS/ECON/SCIENTIFIC COOPERATION (REUTER PEKING).

4. JAPAN

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HONDA CONFIRMS PLANS TO BUILD 1ST US MOTORCYCLE ASSEMBLY PLANT, 30 MILES NE COLUMBUS, OHIO. AT 10/11 NEWS CONF W/OHIO GOV RHODES, HONDA OFFICIALS SAID INITIAL FACILITY WILL COST 25 MIL DOLS/EMPLOY SOME 500 WORKERS. FIRM HOPES EXPAND PLANT TO INCLUDE AUTO PRODUCTION. HONDA EXEC VP DECLINED SAY WHETHER FIRM WILL USE US OR JAPANESE-MADE STEEL (WSJ; AP WP, NYT).

EEC CHIEF JENKINS ARRIVED TOKYO 10/11 FOR 4-DAY VISIT, BUT SAID DIDN'T COME TO NEGOTIATE SETTLEMENT JAPAN-EUR TRADE PROBLEMS. STATED PURPOSE WAS "EXCHANGE OPINIONS" ON INTL ECON SITUATION W/FUKUDA/"LEADERS IN VARIOUS CIRCLES" (UPI, JOC).

AT NY PRESS CONF 10/11, US SPECIAL TRADE REP STRAUSS SAID HE DIDN'T THINK REDUCTION STEEL IMPORTS WOULD HAVE DRAMATIC IMPACT ON PROBLEMS FACING US STEEL INDUSTRY, OPINING ANSWER TO SUCH PROBLEMS WAS INCREASED TRADE, NOT BARRIERS (REUTER NY 10/11).

RETURNING FROM WORLD STEEL CONF IN ROME, EC COMMISSIONER DAVIGNON TOLD JOURNALISTS IN BRUSSELS 10/11 US/JAPAN/EUR SHOULD OPEN URGENT TALKS TO SEEK LONG-TERM REMEDIES FOR SAGGING STEEL INDUSTRIES (DROZDIK, WP).

AT 10/11 PRESS CONF, UNITED STEEL WORKERS PRES MCBRIDE URGED CARTER ADMIN TAKE QUICK STEPS NEGOTIATE VOLUNTARY QUOTAS ON EUR/JAPAN STEEL IMPORTS. WARNED UNLESS USG

ACTS SWIFTLY, WILL BE FURTHER LAYOFFS/MORE MILL SHUTDOWNS
ACROSS COUNTRY (ROWE, WP).

YEN CLOSED ON TOKYO FOREX MART TUES AFTERNOON AT 2ND
HIGHEST LEVEL AGAINST DOLLAR SINCE END WWII. MOST OBSERVERS
SAW NO EVIDENCE BANK OF JAPAN INTERVENTION AT ANY POINT
IN DAY'S TRADING (CULLISON, JOC TOKYO).

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5. KOREA

TWO SKOREAN ARMY FLIERS LANDED PLANE IN NK 10/12, WHERE
WAS CLAIMED THEY HAD DEFECTED, THO SK SAYS THEY STRAYED OVER
BORDER DUE NAVIGATIONAL ERROR. SPOKESMAN SAID THAT THRU
UNC, SK INFORMED NK OF ERROR/ASKED FOR PLANE/CREW RETURN
(REUTER SEOUL).

6. INDONESIA

AS PART OF SERIES HEARINGS EXPLORING ROLE OF INTL BANKS IN
FON POL, EA'S HEGINBOTHAM TESTIFIED BEFORE SENATE SUBCMTE
OF FON ECON POL 10/6 ON NEAR COLLAPSE OF PERTAMINA IN
'75. IN JAKARTA AS ECON COUNSELOR THEN, HEGINBOTHAM SAID
HE BECAME CONCERNED IN '72 ABOUT SUBSTANTIAL BORROWING BY
PERTAMINA; SAID COMMERCIAL BANKS ADVISED OF IT, KEPT LOAN-
ING ANYWAY--SOMETIMES IN CONTRAVENTION OF FINANCIAL
OBJECTIONS ESTABLISHED BY IMF. WHEN PERTAMINA UNABLE MEET
PAYMENTS, SOME BANKS PRESSED GOI TO COVER CO'S DEBTS; AS
RESULT NONE OF PRIVATE BANKS DECLARED DEFAULT AGAINST
PERTAMINA--ACTION THAT COULD HAVE PLUNGED COUNTRY INTO
FINANCIAL CRISIS, POSSIBLY BROUGHT DOWN SUHARTO GOVT
(MORGAN, WP).

7. PHILIPPINES

ARMY BRIG GEN/32 MEN AMBUSHED/KILLED BY MOSLEM REBELS
10/11, WHO LURED THEM INTO VILLAGE MARKETPLACE W/OFFER
TALK PEACE (UPI, NYDN). ARMY BATTALIONS COMBING JOLO TO
CAPTURE DEAD/ALIVE LEADER MOSLEM REBELS, OSMAN SALLEH.
GOP OFFERING 13,500 DOLS FOR SALLEH BUT REPORTED TO REGARD
INCIDENT AS ISOLATED BREACH OF 10-MO CEASE-FIRE (REUTER,
WP MANILA). IN LAST MOS, GOP ENGAGED IN MOPPING UP
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OPNS IN SOME AREAS EVEN WHILE AWAITING RESULTS PEACE
OFFERS TO CERTAIN REBEL CHIEFTAINS. OVER LAST 3 YRS 20,000
REBELS WON OVER TO GOVT (NYT SPEC).

SUN RUNS AP STORY (JOLO) ON GEN FIGHTING IN AREA IN

SPITE OF CEASE-FIRE.

FRENCH JOURNALIST YVES CHAZOURNE FREED ON PRES' ORDER AFTER BEING DETAINED BY MIL FOR ALMOST WEEK ON SUSPICION SUBVERSION (REUTER, MANILA 10/11).

COMMENT AND ANALYSIS

8. JAPAN

SUN URGES CARTER "RESIST ALL PRESSURES" FOR PROTECTIONIST COURSE IN SEEKING REMEDY FOR NATION'S STEEL INDUSTRY. SEES JAPAN/EUR OFFERS FOR VOLUNTARY RESTRICTIONS "TACIT ADMIS- SION" OF DUMPING. SUGGESTS PRES TAKE UP OFFERS FOR VOLUN- TARY CUTBACKS AS ALTERNATIVE TO MANDATORY TRADE RESTRIC- TIONS.

ANDERSON/WHITTEN (WP) CITE "SCORCHING" CONFIDENTIAL LETTER FROM SEN BAYH (D-IND) TO ANTITRUST CHIEF SHENEFIELD, BLASTING DOJ FOR "INCREDIBLE DEFERENCE TO SUSPECTED ANTI- TRUST VIOLATORS." BAYH SAYS SHENEFIELD PROMISED CONGRESS HE WOULD SUBPOENA VITAL DOCUMENTS IN CASE INVOLVING TV INDUSTRY, BUT DID NOT. SHENEFIELD SAYS HE IS TRYING PER- SUADE JAPANESE VOLUNTARILY SURRENDER NECESSARY DOCUMENTS.

9. JAPAN/KOREA

IN FRONT PG WSTAR ARTICLE (10/11) TOMS REPORTS FROM TOKYO O JAPAN'S DISCRIMINATION AGAINST KOREANS. SAYS WHILE KOREANS THERE BECOMING MORE JAPANESE, THEY ARE CONSTANTLY REMINDED THAT THEY ARE FOREIGNERS, WHO SHARE BURDENS, NOT PRIVELEGES UNCLASSIFIED

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OF JAPANESE CITIZENS. AS EXAMPLES, CITES FACT KOREANS MUST CARRY CERTIFICATE OF ALIEN REGISTRATION/ARE INELIGIBLE FOR LOW-COST GOVT HOUSING/CANNOT RECEIVE SOC SEC BENEFITS.

10. KOREA

CSM CARRIES SIDE-BY-SIDE COLUMNS BY SEN MCGOVERN/KOREA SPECIALIST GREGORY HENDERSON ON WHY US SHOULD TALK W/NK. MCGOVERN COLUMN DRAWN FROM SPEECH MADE AT LAST MONTH'S CONFERENCE JAPANESE/US PARLIAMENTARIANS IN WASHINGTON. SEN URGES US ANNOUNCE WILLINGNESS ENTER EXPLORATORY TALKS W/NK ON MIL PROBLEMS, WHILE INVITING SK JOIN SOON AS SEOUL FORM- ULATES OWN PROPOSALS FOR FORCE REDUCTIONS/ARMS CONTROLS ETC HENDERSON OPINES US OBLIGED RESPOND TO NK INVITATION FOR TALKS. SAYS US, WHILE RELIEVING ITSELF OF OBLIGATIONS UNDE ARMS LIMITATIONS CLAUSES IN ARMISTICE AGREEMENT, DID SO ONLY UNTIL "RELATIVE MILITARY BALANCE" RESTORED, AND NK HAS SHOWN "WILLINGNESS TO COMPLY." SAYS MANY NOW SEE SK AT LEAST EQUAL TO NK IN MIL POWER/VIEW NK'S INVITATION FOR

TALKS AS EVIDENCE SUCH WILLINGNESS. AGREES W/MCGOVERN'S PROPOSAL, CAUTIONING--AS IN '47-'50--US' "GETTING OUT" ACTION MAY YET GET US "IN" TO WAR.

BACON/LANDAUER (WSJ) SAY DOD KNEW IN 1970 DETAILS KOREAN LOBBYING CAMPAIGN, BUT, PARTLY DUE SECRET WAY DOD GATHERED INFO, AUTHORITIES DIDN'T TRANSMIT EARLY EVIDENCE TO DOJ. SAY NOW, DOD STILL TRYING AVOID PUBLICITY ABOUT ITS INTIAL INTELL. STATE DEFENSE'S PRIMARY GOAL NOW IS PREVENT SCANDAL DAMAGING US-SK CLOSE MIL RELATIONSHIP. SAY UNLIKE KCIA, KOREAN MIL-INTELL OPN EXTREMELY COMPETENT, PROVIDING INFO IMPORTANT TO US/SK SECURITY. CITE DOS OFFICIAL THAT ONE OF MOST IMPORTANT ISSUES IN W/DRAWAL PROGRAM WILL BE HOW RESTRUCTURE CURRENT RELATIONSHIP BETW US-SK INTELL NETWORKS UNCLASSIFIED

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11. AUSTRALIA

SEIDEN (SUN CANBERRA) DOES PEICE ON AUSTRALIA'S DECISION TO MINE URANIUM/EXPLOSIVE POL ISSUE IT HAS BECOME. CITES ECONOMICS/MORE JOBS AS OBVIOUS ADVANTAGES; PROLIFERATION NUKE WEAPONS/NEED FOR FON INVEST/DISRUPTION ABORIGINAL LANDS, PEOPLE'S SOCIAL STRUCTURE/USING BY COMMUNISTS AS AN ISSUE TO DIVIDE COMMUNITY AS DISADVANTAGES.

12. CHINA

IN HK TUES, GEO BUSH SAID THE MORE HE WAS IN PRC THE MORE HE WAS CONVINCED SINO-US RELS SHOULD BE NORMALIZED. UNDER-SCORING EXISTENCE OF COMMON INTEREST THAT DICTATES IMPROVED TIES, BUSH SAID THAT, APART FROM TRADE/CULTURAL EXCHANGES, COMMON INTEREST HE SAW ALSO LIES IN "THREATS" FROM SOVIET. BUSH DECLINED REVEAL DETAILS OF TALKS WITH TENG; SAID CHINESE OFFICIALS DID NOT LEAVE WITH HIM IMPRESSION THEY ARE FLEXIBLE ON TAIWAN. RE INTERNAL SCENE, SAID HE THOUGHT PRESENT LEADERS SEEM MORE CONFIDENT/COMPETENT, AND WHOLE ATMOSPHERE APPEARS MORE RELAXED, WITH PEOPLE WILLING DISCUSS SUBJECT IN DEPTH.

BUSH SUGGESTED ONE AREA WHERE THE 2 COUNTRIES CAN COOPERATE IS DEVELOPMENT OF PRC'S VAST OIL RESOURCES; TECHNOLOGY FOR TAPPING OFFSHORE/DEEP SEA DEPOSITS IS IN US, AND PEKING CAN GET IT ONLY FROM US, HE OBSERVED. SAID COOPERATION MUST BRING BENEFITS TO BOTH COUNTRIES, AND THIS CAN BE DONE BY DEVISING FORMULA THAT WILL NOT MAKE IT APPEAR PRC IS GIVING AWAY ITS RESOURCES TO US. BUSH SAID HE DID NOT UNDER-ESTIMATE PEKING'S POTENTIAL FOR ACHIEVING ITS MODERNIZATION PROGRAMS BEFORE END OF CENTURY (SUN'S WU).

MACKENZIE (REUTER PEKING) OBSERVES THAT RETURN OF "ORIENTAL DANCE AND SONG ENSEMBLE" TO STAGE, AFTER BEING CLOSED DOWN UNCLASSIFIED

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DURING GPCR, MARKS FURTHER LIBERALIZATION OF COUNTRY'S CULTURAL POLICIES SINCE "GANG OF 4'S" DOWNFALL. SAYS GROUP PERFORMED FOR FON RESIDENTS IN PEKING TUES/WEDNESDAY NIGHTS FOR FIRST TIME SINCE LATE 1960S.

IN FOURTH OF SERIES, TORONTO GLOBE AND MAIL'S MUNRO, IN PEKING, DISCUSSES HOW VARIOUS SOCIAL GROUPS IN PRC PLAY ROLE OF WATCHDOGS FOR DEVIANT BEHAVIOR (NYT; ALSO CARRYING ARTICLES, WP LABELS THEM, "HUMAN RIGHTS IN CHINA"; CHITRIB CALLS SERIES, "CHINA BEHIND THE WALL").

GLOBE'S TAYLOR REVIEWS LEYS' "CHINESE SHADOWS." TERMS IT "BRILLIANT, CRANKY, ONE-SIDED AND NECESSARY BOOK" WHICH, IN SUM, "SAYS SOMETHING THAT CAN'T BE REITERATED TOO OFTEN"--PRC IS "TOTALITARIAN STATE" WITH "TOTALITARIAN STATE'S BRUTAL PENCHANT FOR SUPPRESSING FREEDOM."

CONTINUING TOUR THROUGH TIBET, BRODER FINDS, "CONSIDERING SCARCITY OF THEIR OPPORTUNITIES TO PRACTICE," HOSPITALITY OF TIBETANS IS REMARKABLE. LHASA GUEST HOUSE ROOMS EQUIPPED WITH PROTA0LE RADIOS, WITH VOA COMING THROUGH LOUD/CLEAR; ABOUT HALF BRODER GROUP'S 3-DAY VISIT OCCUPIED WITH PROPAGANDA SESSIONS ON EVILS OF OLD REGIME/DEMONSTRATIONS OF ACHIEVEMENTS OF NEW ONE. SAYS POL ASSESSMENT OF WHAT WAS SEEN IS COMPLEX/SUBJECTIVE, WILL BE DISCUSSED LATER (WP, GLOBE).

13. THAILAND

MCARTHUR DOES FEATURE (LAT BANGKOK 10/10) ON GOLD PROSPECTING IN BANGKOK'S CANALS. ONCE MONTHLY GOLD SHOPOWNERS SELL RIGHT TO SWEEP/CLEAN WORKSHOPS, INCL DISMANTLING LAVATORY TRAPS/EMPTYING SMALL PIT IN KITCHEN WHERE GOLD DUST/GARBAGE COLLECT. PROSPECTOR TAKES IT DOWN TO UNCLASSIFIED

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CANAL/WORKS IT LIKE ANY MINER PANNING FOR GOLD; MAY MAKE ABOUT 20 DOLS, OR 4 DOLS DAY. OTHERS MAKE LIVING FROM GOLD DUST SPILLED OVER FROM HIS PANNING OPERATIONS/FROM INFINITESIMAL AMOUNT STILL COMING FROM DRAINS. NET ABOUT 3 DOLS--MORE THAN DOUBLE THAILAND'S MIN WAGE.

14. INDOCHINA

HEALY (GLOBE) COVERS OFF-THE-RECORD MEETING KISSINGER--WHOM HE DOES NOT IDENTIFY--W/EDITORS/REPORTERS 10/8. IN RESPONSE TO QUESTION ABOUT US BOMBING CAMBODIA, HAK SAID WHEN HE CAME INTO OFFICE HE HAD PROBLEM OF HOW DISENGAGE 550,000 AMERICANS IN SEASIA, DOING LEAST DAMAGE. SAID USAF BOMBED 4 NVN DIVISIONS THERE FOR 4 YRS WHICH

KILLING US TROOPS-REALIZATION THAT PROBABLY CONTRIBUTED
TO "MORAL BLIND SPOT" ON HIS PART IN APPROVING BOMBINGS.
SAID HE DID IT W/INVITATION CAMBODIAN GOVT--BUT NOT SAYING
INVASION/BOMBINGS WELL CONCEIVED. HEALY SAW NO SORROW FOR
HIS ROLE IN VN; SAYS HAK SUGGESTED THAT SOME IN US MADE
VN WAR MORALITY PLAY. VANCE

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